



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF WATER RIGHTS

m/043/004

Michael O. Leavitt
Governor

Robert L. Morgan
Executive Director

Jerry D. Olds
State Engineer

1594 West North Temple, Suite 220

PO Box 146300

Salt Lake City, Utah 84114-6300

(801) 538-7240 telephone

(801) 538-7467 fax

www.nr.utah.gov

June 20, 2003

Carsten Mortesen
Utelite Corporation
P.O. Box 387
Coalville, UT 84017

RECEIVED

JUN 24 2003

DIV. OF OIL, GAS & MINING

RE: Stream Channel Application No. 03-35-10SA to temporarily fill in a channel area
with mine overburden on Three Mile Canyon in Summit County.

Rejected

Upon reviewing and assessing the above stated Stream Channel Alteration Application, your request has been rejected for the following reasons:

1. The project would unreasonably or unnecessarily diminish the natural channel's ability to conduct high flows.
2. The project would unreasonably or unnecessarily affect the natural stream environment.
3. The project would unreasonably or unnecessarily endanger aquatic wildlife.

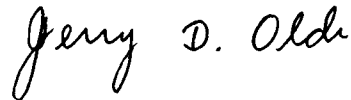
It has been noted that fill and culverts have been placed without authorization in the stream channel area below the proposed project site. Disturbance to the bed and banks including, but not limited to, fill too close to flowing water can cause additional erosion and sedimentation among other problems. At a minimum this fill should be pulled back for flood capacity and sloped to at least an angle of repose and revegetated. This office should be contacted for a course of action to better rehabilitate the stream.

This decision is subject to the provisions of Rule R655-6-17 of the Division of Water Rights and to Sections 63-46b-13 and 73-3-14 of the Utah Code Annotated, 1953 as amended, which provide for filing either a Request for Reconsideration with the State Engineer, or an appeal with the appropriate District Court. A Request for Reconsideration must be filed with the State Engineer within 20 days of the date of this decision. However, a Request for Reconsideration is not a prerequisite for a court appeal. A court appeal must be filed within 30 days after the date of this Order, or if a Request for Reconsideration has been filed, within 30 days after the date the Request for Reconsideration is denied. A Request for Reconsideration is considered denied when no action is taken 20 days after the Request is filed.

Page 2
03-35-10SA
June 20, 2003

If you have any questions or need additional clarification, please contact Daren Rasmussen at 801-538-7377.

Sincerely,

A handwritten signature in cursive script that reads "Jerry D. Olds".

Jerry D. Olds, P.E.
State Engineer

JDO/jm

pc: John Mann - Regional Engineer
Russ Lawrence - Wildlife Resources
Bill Bradwisch - Wildlife Habitat Manager
Lynn Kunzler - DOGM
Derrick Radke - Summit County Engineer
Laura Berglund - U.S. Fish & Wildlife